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AMENDED FISCAL YEAR 2020 STATE BUDGET HOUSE BILL 792 – CONFERENCE COMMITTEE HIGHLIGHTS

The original Fiscal Year 2020 budget was set by a revenue estimate of \$27.5 billion, an increase of \$609 million, or 2.3%, over the FY 2019 budget. Due to sluggish revenue growth, the governor ordered state agencies, with few exemptions, to submit budget reductions of 4% for the current fiscal year. When the governor released his budget recommendations in January, he adjusted the revenue estimate for the current budget down to \$27.3 billion. Despite the infusion of \$255 million from the K-12 mid-year adjustment reserve, overall state funds were reduced in the Amended FY 2020 budget by \$159 million, or a reduction of 0.6%. On March 11, 2020, the governor released \$100 million from the Revenue Shortfall Reserve to be appropriated to the Governor's Emergency Fund for COVID-19 (coronavirus) preparedness and response efforts. With the increase in revenue for the emergency fund, the final revenue estimate for the Amended FY 2020 budget is \$27.4 billion in state funds, a decrease of \$59 million, or 0.2%, from the original FY 2020 budget.

The changes made by the General Assembly in the Amended FY 2020 budget reflect the legislature's **ongoing support of expanded mental health core and crisis intervention services**, as well as **access to health care; restoration of public-facing budget items, including grants to county health departments and public libraries**; and the **reinstatement of funds to ensure a fully-functioning criminal justice system**, including adequate funding for public defenders, accountability courts, and the Georgia Bureau of Investigation (GBI) crime labs.

Highlights of HB 792 are below:

Criminal Justice, Public Safety and the Courts

- The General Assembly restores \$801,424 of the proposed cuts in the governor's budget to the **Georgia Bureau of Investigation**. The agency will be able to **hire as many as eight scientists and two lab technicians** with the restored funding. The **crime lab has more than 45,000 pieces of evidence over 30 days old** and the backlog continues to grow. With current forensic biology staff levels, the crime lab is only able to process approximately 106 sexual assault kits a month while the lab receives over 200 new kits monthly, constantly adding to the current backlog of 768 unprocessed kits. The funding of additional scientists and lab technicians is crucial to combat the backlog and ensure crime-related evidence is processed in a timely manner.

- HB 792 includes \$1.2 million for the GBI to develop a gang database and establish a gang taskforce to assist local law enforcement agencies with the identification and investigation of gang members.
- The General Assembly restores \$1.7 million of the cuts proposed by the governor to the Criminal Justice Coordination Council. The **\$1.34 million cut to accountability courts is completely restored** to allow the courts to continue diverting more non-violent offenders from expensive jails or prisons to successful rehabilitative programs within communities. The restoration in funding equates to **494 participants** who can be served through an accountability court instead of possibly going to prison. Accountability courts have a **3 in 4 success rate** for graduates. For every **\$1 spent on accountability courts, the state saves \$7.74 in diversion costs**. The restoration of funding to the accountability courts represents **\$10.3 million in cost avoidance**. The General Assembly also restores \$300,000 for three contracted positions within the Department of Behavioral Health and Developmental Disabilities to provide technical assistance to mental health accountability courts in order to ensure proper treatment is administered to participants. Finally, the HB 792 adds \$82,070 to restore partial funding to the Juvenile Justice Incentive Grants, which provide funding and technical support for juvenile courts to deliver treatment programs for juvenile offenders in their home communities.
- The House and Senate restore \$1,852,170 to the **Georgia Public Defender Council**. The restoration of funds will **allow the hiring of 16 attorneys**, including filling vacant positions that left **eight counties without a state public defender**. Adding the 16 attorneys will reduce the average caseload from 148.8 to 138 per public defender. The budget also restores funding for training and conflict attorney contract rates.
- The General Assembly also restores \$141,812 to the Georgia Driver's Education Commission to allow for an additional 104 scholarships to support driver's education programs throughout Georgia.
- HB 792 includes \$998,374 in start-up costs for the State-wide Business Court which was approved by referendum in 2018 and established through HB 239 (2019 Session). The new court will allow for complex business cases to be moved from superior courts into the specialized business court, where the expertise will allow for cases to be resolved in a timely manner and enhance Georgia's appeal as a business-friendly state. Additionally, this will provide relief to the superior courts, which are currently responsible for hearing these cases.

Economic Development and Transportation

- The General Assembly restores \$281,000 in the Department of Agriculture for **five food safety inspectors and two animal industry inspectors** to address the increasing number of retail stores selling food that require inspections. The increasing number of grocery stores, Dollar Generals, and gas stations with food services coupled with a reduction in inspectors, would have hampered the department's abilities to be proactive with inspections.
- HB 792 includes \$200,000 in order to demonstrate the state's intent **to develop the Georgia Hemp Program** authorized in HB 213 (2019 Session). The funding will allow the Department of Agriculture to develop regulations for the hemp industry in Georgia and secure the federal government's approval.
- The House and Senate restore \$338,304 to fund marketing material and website development to further **enhance the Georgia Grown brand**, in addition to hiring an international trade representative and a business support analyst effective April 1, 2020. Both positions were added upon the recommendation of

the House Rural Development Council and are needed for the Department of Agriculture to **promote Georgia products both domestically and internationally.**

- The General Assembly restores \$90,000 to the Department of Economic Development for a geographic origin marketing campaign that allows the department to use state dollars in a strategic manner when **recruiting businesses to Georgia.**
- Tradeshows are essential opportunities to promote the state of Georgia, both domestically and internationally. The proposed budget reduction in the Tourism program would affect the Department of Economic Development's ability to attend these events. \$125,000 is restored to increase attendance to strategic tradeshows and increase the sponsorship opportunities necessary to **promote Georgia and bring additional business to the state.**
- The General Assembly restores \$191,202 to the State Forestry Commission to address necessary building and equipment repairs and to purchase emergency fire suppression equipment.
- The General Assembly adds \$327,715 to the Public Service Commission **to prevent 85 employees and the commissioners from taking furlough days** for the remainder of the fiscal year. These funds also restore contracts with the National Regulators Research Institute and the National Association of Utility Regulators, which provide research and data to assist the commission in essential agency operations, including rate cases.
- The General Assembly provides an increase of \$3 million in the Georgia Department of Transportation for expansion initiatives at Middle Georgia Regional Airport. Middle Georgia experiences an economic impact from Robins Air Force Base in excess of \$3 billion a year. Expansion will provide the opportunity to increase the number and type of aircraft utilizing the airport; to partner on maintenance, repair, and overhaul of U.S. Air Force aircraft; and to give students at Central Georgia Technical College hands-on experience with the region's largest employer.
- HB 792 includes several restorations in the Department of Community Affairs, including: \$54,225 in funding for the Georgia Advocacy Office that works throughout the state to ensure people with disabilities receive proactive support; \$100,000 for the southwest Georgia hub of the Statewide Independent Living Council's Home Access Program to continue promoting independence by allowing persons with disabilities to reside in their homes with the appropriate home modifications and avoid unnecessary entry into nursing homes; and \$13,369 for the Georgia Commission on the Holocaust.

Education

- K-12 education programs that provide for the direct education of students, or that serve as pass-through grants to local school systems were largely exempted from budget reductions. Exemptions were included for Quality Basic Education (QBE); Equalization; Local Five Mill Share; Pupil Transportation; Nutrition; Georgia Network for Therapeutic and Educational Support (GNETS); Preschool Disabilities Services; Sparsity Grants; Residential Treatment Facilities; Agricultural Education; and Technology/Career Education programs.
- The three state schools that provide for the **direct education of hearing- or visually-impaired students** were not exempt from reductions. The General Assembly **restores \$1.5 million in reductions to the three state schools**, of which \$750,696 is redirected to minor repairs and rehabilitation on the three state schools' campuses.

- HB 792 provides \$132.8 million for the Department of Education to provide for midterm enrollment growth of an additional 6,193 FTEs. This figure also includes additional funds for charter system grants, Special Needs Scholarships, and State Commission Charter School supplements.
- The General Assembly provides an additional \$400,000 for Advanced Placement (AP) exams based on projected need. Total AP exam funding of \$3.8 million will provide one free and reduced price lunch exam to eligible students and one science, technology, engineering, and math (STEM) exam per student.

General Government Services

- The governor adjusted the revenue estimate for the Amended FY 2020 budget to include **\$100 million to increase the Governor’s Emergency Fund for preparedness and response efforts related to COVID-19, or the coronavirus**. The funds were made available from the Revenue Shortfall Reserve and will receive a federal match.
- The House and Senate **restore nearly \$1.8 million** to the Law Enforcement, Parks Recreation and Historic Sites, and Wildlife Resources programs of the Department of Natural Resources for operating expenses, equipment purchases, and facility maintenance. **Georgia state parks employ 775 individuals, attract 10.9 million annual visitors, and have a \$1.1 billion economic impact**. The budget includes \$250,000 in one-time funds for the Southwest Georgia Railroad Excursion Authority for maintenance of the Historic SAM Shortline Railroad. The historic railroad **attracts more than 22,000 visitors annually, supports 25 jobs in the surrounding area, and has a \$2 million impact on the local economy**. Continued deferred maintenance jeopardizes the safety of operations and passenger comfort.
- The General Assembly restores nearly \$540,000 to the **Department of Revenue** to maintain contracts with private collection agencies, **which collect \$12.90 for every \$1 spent by the state** and have **brought in a total of \$89.3 million since FY 2013**.
- The House and Senate restore \$210,000 in funding for security measures at high-volume Department of Driver Services’ customer service centers, allowing the department to purchase security camera systems at seven locations. The Amended FY 2020 budget also provides 15 vehicles to the department to replace high mileage and unreliable vehicles.
- The Amended FY 2020 budget includes \$800,000 for information technology improvements for the Office of the Commissioner of Insurance in order to transition from physical servers to a cloud system, replace the document management system, and significantly improve the agency’s cyber security. The funds will also allow the Department of Insurance to purchase lease surplus line software, which could generate up to \$5 million in additional revenue for the state.
- The Amended FY 2020 budget provides \$25 million in additional funds to fulfill the projected needs for Forestland Protection Grants.

Health

- The General Assembly **restores \$6.4 million for public health grants to counties**, eliminating the 5% cut to all health departments across the state. County health departments provide significant services, including immunizations and disease prevention; environmental health services through permitting; restaurant inspections; swimming pool inspections; and emergency preparedness and response to disease outbreak. They also provide Georgians with programs and resources, such as Babies Can’t Wait,

WIC (Special Supplemental Nutrition Program for Women, Infants, and Children), breast and cervical cancer early detection programs, women's health and pregnancy Medicaid, and testing and treatment of sexually-transmitted diseases. These services are particularly vital as **eight counties in Georgia have no physician and nine counties have only one physician.**

- The House and Senate **fully restore the 4% cuts to the Mercer School of Medicine and Morehouse School of Medicine operating grants**, adding \$2.1 million combined back to the budget. Through these public/private partnerships with the state, **both schools help to ensure an adequate supply of primary and specialist physicians in Georgia.** Mercer School of Medicine's three campuses in Macon, Savannah, and Columbus serve 473 Georgia students and have a **focus on rural and underserved areas of Georgia.** Programs include the Rural Health Initiative and the Primary Care Accelerated Track Program. Morehouse School of Medicine's campus in Atlanta has 400 students, with 258 from Georgia, and its education **focuses on underserved urban and rural populations in Georgia.**
- The General Assembly provides full funding to the Rural Health Systems Innovation Center at Mercer University School of Medicine. The center was formed by HB 769 (2018 Session) to lead as a research organization that utilizes Georgia's many public, private, academic, and governmental resources to develop new collaborative approaches and recommendations for the financing and delivery of health care to rural areas of Georgia.
- The General Assembly fully reinstates \$500,000 for loan repayment awards for rural physicians, physician assistants, dentists, and advanced practice registered nurses. The funds will **provide grants to an additional six rural physicians, five rural physician assistants or advanced practice registered nurses, and two dentists that provide primary care or other core specialty in a Georgia county with a population of 50,000 or less.**
- The House and Senate restore the reduction made to undergraduate medical education, adding back \$170,700 for medical students at Emory University School of Medicine, Mercer University School of Medicine, Morehouse School of Medicine, and the Philadelphia College of Osteopathic Medicine (PCOM).
- The General Assembly **restores \$150,000 for the Sickle Cell Foundation of Georgia** to continue funding the mobile testing unit and provide education and training across Georgia. Georgia has the fourth highest incidence rate of sickle cell disease in the United States, with 60% of the cases in Georgia in rural areas. **The mobile testing unit is able to reach these rural areas, has screened over 100,000 Georgians, and has detected over 10,000 sickle cell cases.**
- The **Georgia Poison Center receives full funding** in the budget in order to prevent the loss of additional federal matching funds and **support the center that handles over 75,000 calls annually from hospitals, physicians, and citizens from every county in Georgia.**
- The General Assembly provides an additional \$2 million to the Georgia Trauma Care Network Commission by appropriating the full amount of the 2019 Super Speeder collections in order to match the intent of the enabling legislation, **provide support for the 24% of trauma centers that are unfunded, and support trauma system expansion in rural areas of need.** The budget also provides \$1 million to improve the trauma care network by raising the trauma center levels of two facilities in southeast Georgia.
- The Amended FY 2020 budget **provides \$23 million for the state match of the Disproportionate Share Hospital (DSH) payments** for private deemed and non-deemed hospitals that serve a large number of Medicaid and uninsured individuals.

- An **additional \$5 million** in state funds is added by the General Assembly to the **Rural Hospitalization Stabilization Grants program to increase total appropriations to \$8 million for grants and additional emergency preparedness.**
- **\$175,000** is also added by the General Assembly to provide funding for an **actuarial study and other fiscal impacts related to carving out pharmacy benefits from the state's current Medicaid care management organizations and other plans.**

Higher Education

- The General Assembly **reduces cuts made to the Agricultural Experiment Station and Cooperative Extension Service in the Board of Regents by more than \$2.8 million.** The restoration allows the Cooperative Extension Service to retain an April 1, 2020 start date for vacant positions and prevents the program from losing about \$800,000 in grants and county funds in FY 2020. The restoration allows these programs to maintain support for Georgia agribusinesses without interrupting services.
- \$345,194 is restored to the Forestry Research program to allow the program to continue its efforts to address **the 2.4 million acres of forest impacted by Hurricane Michael.**
- The House and Senate eliminate a \$1.2 million decrease to the Medical College of Georgia, which would have reduced the **state's support of medical residencies.**
- The General Assembly **restores \$1.3 million to the Georgia Public Library Service for materials grants** that will allow system libraries to purchase books and other resources for patrons. The reduction would have impacted smaller and rural library systems the most as many of these systems **do not have local funds available to purchase new materials annually.**

Human Services

- In the area of adult mental health, the General Assembly provides \$5.4 million to the Department of Behavioral Health and Developmental Disabilities (DBHDD) for **crisis beds and behavioral health core services.** The new funding **ensures that Georgia maintains its current serving capacity of 4,953 individuals, across 95 crisis beds, in 21 crisis units statewide.** In FY 2019, core services aided 109,316 Georgians. Unfortunately, Georgia's safety net for the most vulnerable is still working at capacity, with demand growing every day. **The new core services funding will allow DBHDD to serve an additional 2,320 individuals.**
- The House and Senate restore \$761,564 for the residential treatment of addictive diseases, **increasing the bed count by 22 statewide.** Additionally, \$287,209 is restored for provider support and training. These trainings are essential for building and maintaining Georgia's behavioral health workforce capacity, especially in rural Georgia.
- In the area of developmental disabilities, the General Assembly **restores \$750,000 to the Marcus Autism Center.** This restoration prevents a decrease of **almost 1,111 patient care days in the intensive day programs,** which translates to almost **20 children** who would be unable to receive care, as well as an increased waitlist for access to these intensive and critical services.
- The General Assembly restores \$500,000 for the Bobby Dodd Institute. The recommended reduction of \$1 million to this contract would have severely impacted the **nearly 450 individuals on the waitlist,** resulting in a decrease in services provided.

- The House and Senate **restore \$164,800 in the Department of Human Services for the Georgia Memory Net**, allowing the five established memory clinics to continue to meet the growing demand of the Alzheimer’s population.
- The General Assembly restores \$318,000 in the Department of Human Services to **Family Connection county allocations to maintain funding at FY 2008 levels**. Restoring this funding will allow Family Connection to maintain its capacity for the duration of FY 2020, fulfilling several state-level and public/private partnerships for communities across the state. The funding will also allow Family Connection to continue to leverage state funds, **averaging an additional \$4 in other fund sources for every \$1 in state funding**. The General Assembly also restores \$260,000 to the Department of Early Care and Learning for grants to Georgia Family Connection Partnerships, reflecting partnerships in all 159 counties that **focus on early childhood health and education**, promotion of quality rated childcare, and the Georgia Get Reading Campaign.
- For the Division of Children and Family Services, the General Assembly restores \$500,000 for the Multi-Agency Alliance for Children (MAAC). The restoration will allow MAAC to resume services for **200 students** for the remaining 2020 fiscal year.